



3. In accordance with 19 U.S.C. § 1613(c), the United States agrees to accept the sum of \$276,100,000.00 (two hundred seventy six million one hundred thousand dollars) from PURDUE in settlement of this action. The settlement sum shall be remitted in the form of certified funds, made payable to the U.S. Department of Justice, and submitted to the U.S. Attorney's Office, or via wire transfer, per instructions provided by the United States. The United States understands that some or all of the funds may be paid by another Purdue-related entity.

4. Prior to entering its guilty plea in the related criminal matter, PURDUE shall remit no less than \$151,100,000.00 (one hundred fifty-one million one hundred thousand dollars). On or before the six month anniversary of the entry of its guilty plea, PURDUE shall remit no less than \$90,000,000.00 (ninety million dollars). On or before the twelve month anniversary of the entry of its guilty plea, PURDUE shall remit \$35,000,000.00 (thirty-five million dollars) or any lesser sum to complete the total settlement amount to be paid.

5. Prior to entering its guilty plea, PURDUE agrees to provide a lien by PURDUE or by another Purdue-related entity against sufficient assets to secure the \$125,000,000.00 in deferred payments, in a form satisfactory to, and for the benefit of, the United States.

6. PURDUE agrees to sign an Agreed Order of Forfeiture in connection with this Stipulation, and agrees that this forfeiture action will be stayed until further order of the Court. Pending completion of the final payment by PURDUE, the United States agrees to take no action regarding the forfeiture of the defendant property, or any other property, in connection with this forfeiture action, so long as PURDUE makes, or causes to be made, timely payments as required by this agreement. Upon submission of the final payment, the United States will submit a Notice of Compliance to the Court. Upon entry by the Court, this matter will be removed from the Court's active docket, and the United States will release the lien against the assets referenced in paragraph

5. PURDUE understands and agrees that the Court will retain jurisdiction over this matter until the Notice of Compliance is entered by the Court, notwithstanding the Agreed Order of Forfeiture.

7. If the final payment is not made within the time specified, the United States will be entitled to proceed with this forfeiture action, without limitation in amending the complaint, adding in or substituting the legal interest represented by the lien referenced in paragraph 5 as a *res* in this action, or taking other such action necessary to preserve the government's interest. PURDUE understands and agrees that the United States will be entitled to proceed to summary judgment against the legal interest represented by the lien referenced in paragraph 5 without further proof.

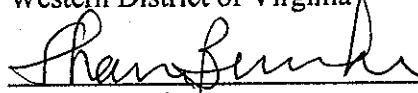
8. Contingent upon the United States filing the Notice of Compliance, PURDUE hereby releases and forever discharges the United States, its officers, agents, servants and employees, its heirs, successors, or assigns, from any and all actions, causes of action, suits, proceedings, debts, dues, contracts, judgments, damages, claims, and/or demands whatsoever in law or equity which its, heirs, successors, or assigns ever had, now have, or may have in the future in connection with the seizure and detention of the defendant property.

9. Contingent upon the United States filing the Notice of Compliance, PURDUE further agrees to hold and save the United States, its servants, employees, heirs, successors, or assigns harmless from any claims by any others, including costs and expenses for or on account of any and all lawsuits or claims of any character whatsoever, in connection with the seizure and/or detention of the defendant property.


10. Contingent upon the United States filing the Notice of Compliance, PURDUE waives all rights to costs and attorneys' fees under any provision of law.

JOHN L. BROWNLEE  
United States Attorney  
Western District of Virginia


Date: 5/9/07

  
Sharon Burnham  
Assistant United States Attorney

Date: May 7, 2007

  
Robin E. Abrams, Esquire  
Vice-President and Director of  
The Purdue Frederick Company, Inc. and  
Vice-President and Associate General  
Counsel of Purdue Pharma L.P.  
Authorized Corporate Officer for The Purdue  
Frederick Company, Inc.

Date: May 8, 2007

  
Howard M. Shapiro, Esquire  
Counsel for The Purdue Frederick Company, Inc.

APPROVED AND SO ORDERED:

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United States District Judge